

**Questions for the Record**  
**Hearing on Improving the Safety Net: Better Coordinating Today's  
Maze of Programs to Ensure Families Receive Real Help**

**Question 1 – Aligning incentives between recipients, States, and the Federal government**

In your written testimony, you explained how the TANF program aligned incentives for recipients, States, and the Federal government by ensuring each had an interest in supporting work and stronger families. Unfortunately, we learned from the hearings we have held this summer that, besides TANF, many programs do not adequately support or encourage work. As you note in your written testimony, few of the features that made TANF successful are present in other safety net programs. You also note that incentives in some programs are backwards—with some programs encouraging States to benefit rolls simply to receive more “free” Federal funds, and others penalizing recipients who get a job or work more.

We want to ensure recipients are encouraged to work, States are encouraged to reduce dependence, and the Federal government is encouraged to fund programs that make a real difference in people’s lives. How might we better align incentives across these groups so everyone is working together to help low-income families and individuals succeed? Which programs or benefits are most in need of such better alignment?

**Question 2 – Cross-program flexibility**

In your oral testimony, you spoke about the importance of flexibility in Federal safety net programs, which would allow you to improve Federal benefits and services offered by your agency. In addition to providing flexibility within single programs, you expressed that Congress should provide States with flexibility across programs so you can better coordinate programs administered by different Federal agencies.

Congress pursued the idea of cross-program waivers in the early 2000s, although this policy did not become law. Do you believe Congress should pursue this idea again, allowing States to test better ways of operating multiple safety net programs? If States were given flexibility across programs to administer them in different ways, could you provide more effective help by coordinating benefits and services so families can move up the economic ladder and become self-sufficient? Which programs and benefits would be the most important to include within the flexibility of such cross-program waivers?

## DRAFT RESPONSE TO WAYS AND MEANS QUESTIONS

### ANSWER #1:

As a general matter most federal assistance programs do not define the reduction in the need for such assistance as a core objective of the program itself. One individual may receive benefits from among several programs such as SNAP, federal housing, or educational assistance, without any of these obligating such individual to take steps toward reducing his or her dependence on these programs, or for eventual economic self-reliance. Nor do federal assistance programs considered as a group operate to incentivize various government agencies to discover the most effective treatments, or to rationalize resources so as to reach a larger population.

A better general way to align incentives is to offer states the opportunity to reallocate savings from the operation of one program to support the related purposes in another. A positive example is TANF, where self-sufficiency efforts resulting in reduced cash assistance was reallocated by states to many other related self-sufficiency purposes such as child care for working parents. The ability to reallocate resources also permits states to better prioritize programs which have overlapping budgets or missions. This can be done through changes to the federal funding formulas, away from unlimited entitlements based primarily on individual income tests and narrow eligible program purposes, to instead the incorporation of economic independence and reduced need as a primary outcome and measure of success.

ANSWER #2: We believe that the multiple federal programs and requirements of individuals receiving these services is in need of rationalization and better coordination. For example, some programs have participation obligations of various kinds (e.g. work obligations, or medical treatment requirements) which have standards which are inconsistent, operate at cross-purposes or have overlapping schedules.

Below are examples of programs we think would be most important to include within the flexibility of cross-program waivers. However these should not be considered exhaustive and represent only a subset of all federal programs which could benefit from enhanced coordination under prospective superwaiver authority.

<b>A. Example of program potentially subject to prospective superwaiver authority</b>	<b>B. Current general purpose</b>	<b>C. Example of potential modified general purpose under superwaiver authority</b>
<i>TANF</i>	Temporary cash assistance leading to employment	Same as current purpose or can incorporate merged child support and employment initiatives for unemployed unmarried parents under one system.
<i>Food Stamps (SNAP)</i>	Purchase of food	Food subsidy can be provided under similar conditions and purpose as TANF, e.g. combined with work obligations for unemployed adults.
<i>Section 8 Housing vouchers</i>	Lower the net cost of private housing	Lower the cost of housing for a maximum time limited period and conditioned on concurrent work activity.
<i>Public housing</i>	Provide low cost long term dwelling	Low cost dwelling for a time limited period; improved environment through work contributions on-site; greater proportion of employed tenants.
<i>Job Service</i>	Help match job seekers with employment	Reduce the duration of unemployment obviating need for public assistance.
<i>Federal assistance to community college system or to individuals</i>	Education to acquire skills for advancement in the labor market.	Provide vocational skills upgrades operated under time completion and graduation goals and better matched to specific employer needs.
<i>UI Extended Benefits</i>	Temporary additions to maximum eligibility period	Reduce period of unemployment by permitting enhanced work obligations and other back to work initiatives for those accessing extended benefits.
<i>Substance abuse prevention and treatment</i>	Strengthen treatment access and retention, emphasize recovery support	Incorporate work activity as an integral part of ongoing treatment regimen.

	services, support criminal justice activities, and bolster utilization of family centered practices.	
<i>Medicaid</i>	Health care coverage to low income families with dependent children, pregnant women, children, and aged, blind and disabled.	Coordinate treatment to enhance effectiveness of other activities e.g. wellness interventions for disabled applicants or undergoing substance abuse treatment, or those applying for federal disability benefits.
<i>General fraud initiatives</i>	Many federal programs incorporate fraud prevention standards and ongoing enforcement initiatives, e.g. Medicaid and SNAP.	Permit cross matching of individuals for fraud detection and coordinated enforcement. The same can be done for vendor fraud.
<i>Child Welfare</i>	Range of safety and prevention activities for children at risk.	Permit better coordination of multiple requirements of parents who are subject to child welfare supervision, e.g. substance abuse treatment or work assignments under TANF, so that each positively reinforces the others and are properly prioritized.
<i>Federal Disability</i>	Income support for adults unable to work anywhere in the national economy, or for disabled children.	Permit interventions for applicants of disability programs to help find or retain employment so as to avoid resulting dependency and resulting poverty.